

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 97-295-W/S - ORDER NO. 97-683
AUGUST 8, 1997

HLR

IN RE: Application of Kiawah Island Utility,)	ORDER
Inc. for Approval of Two Agreements)	APPROVING
between Kiawah Island Utility, Inc.)	CONTRACTS
and the Town of Kiawah, Kiawah Resort)	
Associates, and Others.)	

This matter comes before the Public Service Commission of South Carolina (the Commission) for approval of two agreements submitted by Kiawah Island Utility, Inc. (Kiawah, the Utility, or the Company).

The first agreement is a major development contract between The Town of Kiawah, Kiawah Resort Associates, the Utility, and others, and was signed pursuant to town ordinances governing development on Kiawah Island. Among other things, the contract guards against zoning or changes in permissible uses that could potentially make it difficult for the Utility to deliver its services to its customers.

It would appear to this Commission that the contract should be approved, however, we may not approve any costs connected with the contract, until such costs are fully considered by us during a rate case.

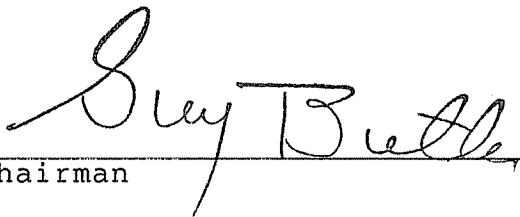
The second contract has to do with increasing fire protection to the Town. It appears to this Commission that increasing fire

protection to Kiawah is worthwhile, and the contract should be approved, however, no costs shall be approved by us until they may be reviewed in a future rate case.

Although we approve both contracts, we again would state that approval of these contracts does not constitute approval of the costs which should be reviewed in a future rate proceeding.

This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)